



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
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"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
GLORIA MOLINA
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MARK RIDLEY-THOMAS
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Third District

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Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 14, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

52 May 14, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**DEPARTMENT OF PUBLIC WORKS:
HIGH DESERT COMPLEX SOLAR PROJECT
CITY OF LANCASTER
DELEGATE AUTHORITY TO EXECUTE INTERCONNECTION FACILITIES FINANCING AND
OWNERSHIP AGREEMENTS
AND AUTHORIZE SUPPLEMENTAL AGREEMENT
CAPITAL PROJECT NO. 67940; SPECS. 7147
FIFTH DISTRICT
(3 VOTES)**

SUBJECT

This action will find that the recommended actions are within the scope of the Project analyzed in the Mitigated Negative Declaration previously adopted by the Board for the High Desert Complex Solar Project; delegate the authority to execute Interconnection Facilities Financing and Ownership Agreements with Southern California Edison; and authorize the Director of Public Works to finalize and execute Supplemental Agreement 1 to SunPower Corporation's Energy Service Contract, PW13494, to provide for telemetry upgrades required by Southern California Edison.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the recommended actions are within the scope of the Project analyzed in the Mitigated Negative Declaration previously adopted by the Board for the High Desert Complex Solar Project.
2. Delegate the authority to the Chief Executive Officer to execute the Interconnection Facilities Financing and Ownership Agreements with Southern California Edison relating to the recently completed 1-megawatt solar photovoltaic panel systems located adjacent to the Mira Loma

Detention Center and Challenger Memorial Probation Camp in Lancaster, substantially as to the form of agreement.

3. Authorize the Director of Public Works, or her designee, to finalize and execute Supplemental Agreement 1 to SunPower Corporation's Energy Service Contract, PW13494, to complete telemetry equipment installation required by Southern California Edison pursuant to the Interconnection Facilities Financing and Ownership Agreements for a \$80,000 not-to-exceed amount, and authorize the Director of Public Works, or her designee, to establish the effective dates for the contract following Board approval.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended actions will 1) find that the recommended actions are within the scope of the previously adopted Mitigated Negative Declaration (MND); 2) enable the County to execute the Interconnection Facilities Financing and Ownership Agreements (IFFOAs) with Southern California Edison (SCE), which are necessary to comply with the utility's new telemetry (energy monitoring) requirements for larger solar installations; and 3) allow the Department of Public Works (Public Works) to finalize and execute a supplemental agreement to SunPower Corporation's (SunPower) existing Energy Service Contract with Sunpower in order to complete the telemetry equipment work at the two 1 megawatt (MW) solar photovoltaic (PV) plants that serve the Mira Loma Detention Center (MLDC) and the Challenger Memorial Youth Center (CMYC), both located in the City of Lancaster.

The current Energy Service Contract with SunPower does not have authorization to cover the cost of the installation of the telemetry equipment at the two 1-MW solar PV plants that serve the MLDC and CMYC. The recommended Supplemental Agreement 1 to SunPower's contract, for a \$80,000 not-to-exceed amount, will add sufficient funding to cover the cost associated with the purchase and installation of the telemetry equipment for both facilities.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) by maximizing the effectiveness of the County's processes, structure, and operations to support the timely delivery of customer-oriented and efficient public services. This Project will help achieve this goal as it is an investment in public infrastructure that will serve two Antelope Valley County facilities by reducing the use of hydrocarbons being used to generate electricity.

Green Building/Sustainable Design Program

The installation of the solar PV plants furthers the Board's Green Building/Sustainable Design Program by reducing the amount of electricity the County consumes from polluting sources. The PV solar plants reduce the County's carbon footprint by substituting clean solar energy for coal and gas-generated power supplied by SCE through the electricity grid. The PV solar plants also help further develop and support the growing solar industry in the County.

FISCAL IMPACT/FINANCING

No new funding will be required to supplement the Energy Services Contract (\$10,000), complete the required telemetry work (\$80,000), and fund the costs to SCE under the IFFOAs (\$29,000), which together totals \$119,000. The project was completed with more than \$400,000 in savings in

the change order accounts and these remaining funds will be utilized to fund these items. Upon completion of these items, the remaining project funds will be used to redeem a portion of the outstanding bonds issued to fund the project, pursuant to the terms of the bond issuance. The paydown will reduce future debt service payments.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Standard supplemental agreements, in the form previously approved by County Counsel will be used. The existing contracts with SunPower contains terms and conditions supporting the Board's ordinances and policies, including but not limited to: County Code Chapter 2.200, Child Support Compliance Program; County Code Chapter 2.202, Contractor Responsibility and Debarment; County Code Chapter 2.203, Contractor Employee Jury Service Program; County Code Chapter 2.206, Defaulted Property Tax Reduction Program; Board Policy 5.050, County's Greater Avenues for Independence (GAIN) and General Relief Opportunities for Work (GROW) Programs; Board Policy 5.060, Reporting of Improper Solicitations; Board Policy 5.110, Contract Language to Assist in Placement of Displaced County Workers; and Board Policy 5.135, Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law).

ENVIRONMENTAL DOCUMENTATION

On August 23, 2011, the Board approved the High Desert Complex Solar Project and adopted a MND pursuant to the California Environmental Quality Act (CEQA). Public Works filed a Notice of Determination with the Registrar Recorder/County Clerk in accordance with Section 21152(a) of the California Public Resources Code on August 29, 2011. The recommended actions are within the scope of the previously adopted MND.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Determination with the County Clerk in accordance with Section 21152(a) of the California Public Resources Code.

CONTRACTING PROCESS

On August 23, 2011, the Board awarded an Energy Service Contract, PW13494, to SunPower for a \$530,640 not-to-exceed fee. The agreement includes the operation and maintenance of the two 1-MW solar PV plants installed to provide power to the MLDC and CMYC. The recommended Supplemental Agreement 1 for a \$80,000 not-to-exceed fee will increase the total of SunPower's contract to \$610,640.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current County services or projects during the performance of the recommended services.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division, and Department of Public Works, Project Management Division II.

The Honorable Board of Supervisors

5/14/2013

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Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', with a long horizontal line extending to the right.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF;RLR;DJT

SW:PB:zu

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Internal Services
Public Works

APPENDIX C
INTERCONNECTION FACILITIES FINANCING AND OWNERSHIP AGREEMENT
SOUTHERN CALIFORNIA EDISON COMPANY
Los Angeles County ISD
NM 500162675

1. PARTIES:

The Parties to this Interconnection Facilities Financing and Ownership Agreement (IFFOA) are, Los Angeles County ISD (Producer), and Southern California Edison Company, (SCE). Producer and SCE are sometimes referred to herein individually as "Party," and collectively as "Parties."

2. RECITALS:

- 2.1 Producer has applied to acquire, operate, and control a 1130.1 kW (Gross Nameplate capacity) Generating Facility that will be operated in parallel with SCE's Distribution System. Said Generating Facility is described in Section 1 of the Generating Facility Interconnection Agreement ("GFIA") between the Parties to which this IFFOA is attached. SCE has assigned the Generating Facility identification number "NMID 500162675" to this facility.
- 2.2 The electrical facilities described in Exhibit A, attached hereto, are required to connect Producer's Generating Facility to the SCE Distribution System pursuant to SCE's Tariff Rule No. 21. Such electrical facilities are hereinafter referred to as "Interconnection Facilities" or "Added Facilities" depending on the financing and ownership arrangements selected by the Parties.
- 2.3 Pursuant to SCE's Tariff Rule No. 21 all or a portion of the Interconnection Facilities may be provided by SCE as "Added Facilities" as defined in SCE's Tariff Rule No. 2.H.
- 2.4 The Parties' respective scopes of work, costs and ownership responsibilities for the Interconnection Facilities are identified in Exhibit A, attached hereto.
- 2.5 This Agreement provides for Producer to interconnect and operate either a Single Technology Generating Facility or a Combined Technology Generating Facility in parallel with SCE's Distribution System. The Combined Technology Generating Facility may consist of any combination of Eligible Technologies as set forth in the California Public Utilities' Self-Generation Incentive Program. This Agreement also provides for Producer to operate an eligible portion of said Generating Facility in a Net Energy Metering Configuration pursuant to Section 2827 (b) (2) of the California Public Utilities Code.

3. AGREEMENT:

The Parties agree as follows:

- 3.1 Unless otherwise defined herein, initially capitalized terms shall have the same meanings as defined in the GFIA.
- 3.2 The Parties agree to one or more of the arrangements as indicated in this Section 3.2 for the financing, design, installation, operation, maintenance, and ownership of the Interconnection Facilities described in Exhibit A, attached hereto.

SCE-Financed¹

- NO 3.2.1 SCE, at Producer's expense, shall finance, install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "SCE-Financed Added Facilities" in Exhibit A, attached hereto; and/or

¹ (NOTE: Pursuant to Edison's tariffs, SCE may only finance "removable" facilities. Additionally, SCE-Financed Added Facilities are available to SCE's customers at SCE's sole discretion.

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Producer-Financed.

- ☒ **YES** 3.2.2 SCE, at Producer's expense, shall install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "Producer-Financed Added Facilities" in Exhibit A, attached hereto; and/or

Producer-Constructed and Conveyed

- ☐ **NO** 3.2.3 Producer shall finance, install, and transfer ownership of all or a portion of the Interconnection Facilities described as "Producer Constructed and Conveyed Interconnection Facilities" in Exhibit A attached hereto, to SCE for SCE to own, operate, and maintain at Producer's expense as "Producer-Financed Added Facilities"; and/or

Producer-Constructed and Owned

- ☒ **YES** 3.2.4 Producer shall finance, install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "Producer-Constructed and Owned Interconnection Facilities" in Exhibit A, attached hereto.

4. TERM AND TERMINATION:

- 4.1 This IFFOA shall be binding upon execution by the Parties and shall remain in effect until terminated by (1) either Party on at least thirty (30) days advance written notice or (2) the end of the 20 year term provided under Sections 6.2 and/or 7.3 herein or (3) termination of the GFIA to which this IFFOA is attached. Upon termination, Producer shall pay all costs and charges incurred to the date of termination pursuant to Section 10.10 herein, including but not limited to charges for engineering, surveying, right-of-way and easement acquisition expenses or any other expense incurred by SCE for the Producer, even if the Interconnection Facilities have not been installed.
- 4.2 Producer agrees to utilize all Added Facilities described in Exhibit A, attached hereto, in accordance with good operating practice. If Producer fails to so utilize said Interconnection Facilities, SCE may terminate this IFFOA, remove the Added Facilities, and Producer shall be subject to the Termination Charge pursuant to Section 10.10 herein.

5. PROJECT DEVELOPMENT MILESTONES:

[This section is not applicable to this Agreement and has been intentionally omitted.]

6. INTERCONNECTION FACILITIES PROVIDED AS SCE-FINANCED ADDED FACILITIES:

[This Section is not applicable to this Agreement and has been intentionally omitted.]

7. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-FINANCED ADDED FACILITIES:

If the Parties have agreed to provide all or a portion of the Interconnection Facilities pursuant to the provisions of Section 3.2.2 herein, the following shall apply for that portion of the Interconnection Facilities specified in Exhibit A, attached hereto, as "Producer-Financed Added Facilities."

- 7.1 SCE shall, pursuant to SCE's Tariff Rule No. 21, engineer, design, procure equipment and materials, construct, install, own, operate, and maintain the Producer-Financed Added Facilities.
- 7.2 Producer shall pay to SCE in advance of construction, the estimated Total Installed Cost of said Producer-Financed Added Facilities, as set forth in Exhibit A, attached hereto, as may be revised pursuant to Sections 10.2 and/or 10.3, herein. If applicable, said cost shall include the estimated Income Tax Component of Contributions (ITCC), pursuant to

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SCE's Preliminary Statement as filed with the Commission and as may be revised from time to time.

- 7.3 In addition to the payment required under Section 7.2 herein, Producer shall pay a charge based on (1) the Added Facilities Investment in Producer-Financed Added Facilities as set forth in Exhibit A, attached hereto, as may be revised pursuant to Sections 10.2 and/or 10.3 herein, and (2) the monthly rate established for the replacement coverage option for "Customer-Financed Added Facilities" selected in this Section 7.3 as set forth in SCE's Rule No. 2.H as filed with the Commission and as may be revised from time to time. Whenever Added Facilities are replaced, the Added Facilities Investment amount used as the basis for determining the charge Producer pays SCE shall be subject to the conditions set forth in Section 10.6 or 10.7 herein. Producer hereby selects a replacement coverage option for Producer-Financed Added Facilities as follows:

N/A (a) Replacement Coverage into Perpetuity

Under this option, Producer shall pay to SCE, at SCE's sole option, either (SCE to select one):

- ____ (1) A Monthly Charge determined by SCE based upon an initial monthly rate of 0.51 % times the Added Facilities Investment amount; or,
- ____ (2) A One-Time Payment determined by SCE representing the present value of the sum of the Monthly Charges for the Added Facilities Investment amount.

N/A (b) Replacement Coverage with 20-Year Term

Under this Option, for a term of 20 years beginning with the date said Added Facilities are first made available for Producer's use, Producer shall pay to SCE a Monthly Charge determined by SCE based upon an initial monthly rate of 0.40 % times the Added Facilities Investment amount. At the end of the 20-year term, this IFFOA shall terminate. If the Parties elect to continue to utilize the Added Facilities past the term of this IFFOA, Producer and SCE may execute a new Added Facilities Agreement. If such an agreement is formed, a revised Added Facilities investment amount shall be determined by SCE on a RCNLD basis.

N/A (c) Without Replacement Coverage

Under this option, Producer shall pay SCE a Monthly Charge determined by SCE based upon an initial monthly rate of 0.38 % times the Added Facilities Investment amount.

8. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-CONSTRUCTED AND CONVEYED INTERCONNECTION FACILITIES:

[This Section is not applicable to this Agreement and has been intentionally omitted.]

9. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-CONSTRUCTED AND OWNED INTERCONNECTION FACILITIES:

If the Parties have agreed to provide all or a portion of the Interconnection Facilities pursuant to the provisions of Section 3.2.4 herein, Producer is subject to the following for that portion of the Interconnection Facilities specified in Exhibit A, attached hereto, as "Producer-Constructed and Owned Interconnection Facilities:"

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- 9.1 At Producer's expense, Producer shall finance, engineer, design, acquire equipment and materials, construct, obtain rights-of-way as necessary, install, own, lease or rent, operate, and maintain the Producer-Constructed and Owned Interconnection Facilities. Said Interconnection Facilities shall be engineered, designed and constructed to be compatible with SCE's Distribution System and in accordance with SCE's Tariff Rule No. 21, as applicable.
- 9.2 SCE shall, at Producer's expense, review Producer's design and require modifications that SCE reasonably determines necessary to assure compatibility with SCE's electrical system and assure SCE system integrity.
- 9.3 Producer shall notify SCE at least thirty (30) days prior to the parallel operation of Producer's Generating Facility and SCE shall have the right to inspect the Producer-Constructed and Owned Interconnection Facilities and shall notify Producer of any deficiencies within five days after inspection. Producer must correct any deficiencies prior to parallel operation of the Generating Facility.
- 10. INTERCONNECTION FACILITIES BILLING:**
- [For Net Energy Metering Projects go directly to Sub-section 10.14]**
- 10.1 Producer shall pay to SCE in advance of any construction by SCE, any one-time costs (including, when applicable, the Income Tax Component of Contribution (ITCC), pursuant to SCE's Preliminary Statement as filed with the Commission and as may be changed from time to time) to rearrange existing facilities and/or to provide facilities normally installed by the Producer as set forth in Exhibit A, attached hereto, as "One-Time Costs for Equipment or Services Provided by SCE for Producer."
- 10.2 Unless otherwise agreed in writing, the costs and charges paid by Producer pursuant to Sections 6.2, 7.2, 7.3, 8.2, 8.4, 8.7, 9.2, 10.1, and 10.10 herein shall initially be based upon estimated costs. When the recorded book costs have been determined by SCE, the costs and charges paid by Producer under this IFFOA shall be revised to be based upon such recorded costs and adjusted retroactively to the date when service was first available by means of such Added Facilities. By executing this IFFOA, Producer has been informed and understands SCE's determination of recorded book cost is often delayed and that unless otherwise agreed, retroactive adjustments resulting from such determination may occur at anytime during the term of this IFFOA. All amounts billed under this IFFOA, unless other terms are mutually agreed upon, shall be payable to SCE within thirty (30) days from the date of presentation of a bill. Any credits resulting from such adjustments will, unless other terms are mutually agreed upon, be refunded to Producer.
- 10.3 SCE shall have the right to revise the initial estimated costs and bill Producer using such revised estimated costs during the period preceding determination of the recorded book costs. SCE shall indicate such revisions on Exhibit A, attached hereto, or a superseding Exhibit A and provide a copy to Producer. SCE shall commence billing the costs and charges paid by Producer pursuant to this IFFOA using such revised estimate not earlier than 30 days from the date the revised estimate is provided to Producer.
- 10.4 Pursuant to SCE's Tariff Rule No. 21, as an alternative to the estimated basis described in Sections 10.2, and 10.3 herein, SCE shall provide, at Producer's written request, a binding estimate of the Added Facilities Investment values which shall be used to determine Producer's payments under this IFFOA, except as such payments may be adjusted pursuant to Section 10.6 herein. Said binding estimate shall be valid for a period of one year from the date such estimate is provided to Producer.
- 10.5 The Monthly Charge to be paid by Producer pursuant to Sections 6.2 and 7.3 herein, shall automatically increase or decrease without formal amendment to this IFFOA if the

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Commission subsequently authorizes a higher or lower percentage rate in the calculation of the costs of ownership for Added Facilities as stated in Rule No. 2.H, effective with the date of such authorization. Further, the revised costs of ownership shall also be used to determine the unamortized balance of the One-Time Payment described in Sections 6.2(a) and 7.3(a) and owed to SCE due to termination of service, termination of this IFFOA, or otherwise.

- 10.6 If it becomes necessary for SCE to alter or rearrange the Added Facilities including, but not limited to, the conversion of overhead facilities to underground, Producer shall be notified of such necessity and shall be given the option to either terminate this IFFOA in accordance with Sections 4 and 10.9 herein, or to pay to SCE additional amounts consisting of:
- (a) Revised costs and charges based on the total net additional installed cost of all new and remaining Added Facilities. Such revised costs and charges shall be determined, as applicable, in the same manner as described in Sections 6.2 and 7.3 herein; plus
 - (b) An additional payment of ITCC, and/or one-time cost, if any, for any new Added Facilities which shall be determined in the same manner as described in Sections 7.2 and 10.1 herein; plus
 - (c) The cost to remove any portion of the Added Facilities that are no longer necessary because of alteration or rearrangement, such charge is to be determined by SCE in the same manner as described in Section 10.9 herein.
- 10.7 Whenever Added Facilities are replaced due to damage (caused by other than the Producer's intentional or negligent conduct) or equipment failure and Producer has selected replacement coverage pursuant to Sections 6.2(a) or (b) and/or Sections 7.3(a) or (b) herein, such replacement will be at SCE's expense with no change in the Added Facilities Investment amount.
- 10.8 Whenever Added Facilities are replaced (1) due to damage or equipment failure and Producer has selected the "Without Replacement Coverage" option pursuant to Sections 6.2(c) and/or 7.3(c) herein, or (2) due to Producer's increased load or generation levels, as determined by SCE, or (3) Producer's intentional or negligent conduct, such replacement will be made by SCE at the Producer's expense, including any applicable ITCC. Any additional amounts due to SCE as a result of such replacement shall be payable by the Producer to SCE within thirty (30) days from the date of presentation of a bill. If such replacement results in a change in the Added Facilities Investment, the Monthly Charges will be adjusted based on the revised added investment amount effective with the date the replaced Added Facilities are first available for Producer's use. Except that, where the replacement of Added Facilities is solely required for SCE's operating convenience or necessity or because of damage caused by the sole negligence or willful act of SCE, no increase shall be made in the Added Facilities Investment amount or the Monthly Charge.
- 10.9 Except as otherwise provided in this IFFOA, SCE shall have the right to charge Producer under the terms and conditions of this IFFOA commencing with the date SCE, in its sole opinion, determines the Added Facilities are available for Producer's use.
- 10.10 Upon discontinuance of the use of any Added Facilities due to termination of service, termination of this IFFOA, or otherwise:
- (a) Producer shall pay to SCE on demand (in addition to all other moneys to which SCE may be legally entitled by virtue of such termination) a Termination Charge defined as the costs estimated, subject to Sections 10.2 and 10.3, herein, by SCE to install and/or remove said facilities, less the estimated salvage value of

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the Added Facilities to be removed. Commencing in the sixteenth (16) year after the date service is first rendered by means of said Added Facilities, the Termination Charge shall be reduced by 20 percent each year until the total Termination Charge is zero.

- (b) SCE shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Added Facilities located on the Producer's property.
- (c) SCE may, at its option, alter, rearrange, convey, or retain in place any portion of the Added Facilities located on property other than Producer's property. Where all or any portion of the Added Facilities located on property other than Producer's property are retained in place and used by SCE to provide permanent service to other customers, the facility Termination Charge described in Section 10.10(a), herein, shall be reduced by the recorded installed cost of the retained facilities.

- 10.11 SCE may, at its sole discretion at any time during the term of this IFFOA, require Producer to provide and maintain a performance bond, a letter of credit, an escrow account, or other security, to SCE's satisfaction, securing to SCE the payment of the Facility Termination Charge described in Section 10.10, herein. Producer's Failure to provide such security to SCE's satisfaction shall result in termination of this IFFOA.
- 10.12 Producer shall not be required to pay the Termination Charge specified in Section 10.10, herein if termination of the use of the Interconnection Facilities is caused solely by SCE. Termination pursuant to Section 4.2 herein or Section 4.1 of the GFIA shall be deemed not to have been caused solely by SCE.
- 10.13 Should any amount billed pursuant to this IFFOA not be paid by Producer, SCE shall at any time be entitled to collect such amounts through an offset against any amount SCE may owe to Producer.
- 10.14 For Net Energy Metering Projects, the Generating Facility shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers ("IEEE"), and accredited testing laboratories such as Underwriters Laboratories ("UL"), and, where applicable, rules of the California Public Utilities Commission ("Commission") regarding safety and reliability. This requirement shall include, but not be limited to, the provisions of IEEE Standard 929 and UL Standard 1741 and SCE's Rule 21 - Generating Facility Interconnections.

The metering requirements and billing procedure shall be set forth in the rate schedule(s) applicable to the electric service account assigned to the location where the Generating Facility is connected.

Notwithstanding the above requirements in this Section 10.14, if the Net Energy Metering Project uses equipment other than the approved UL Standard 1741; and in SCE's sole discretion, added facilities are needed to interconnect the technology to the SCE's system; the other provision of this Section shall apply.

11. GENERAL PROVISIONS:

- 11.1 Producer's option to construct and own all of the Interconnection Facilities as "Producer-Constructed and Owned Interconnection Facilities" is limited to Interconnection Facilities that will interconnect with the SCE Distribution System at voltages of 35 kV and below. For interconnections at voltages above 35 kV, SCE shall, at its option, own and operate the last interfacing protection devices separating Producer's facilities from SCE's Distribution System. However, in such case, Producer shall have the option to provide and transfer ownership of such interfacing facilities to SCE, pursuant to Section 8 herein.

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- 11.2 SCE shall not be obligated to begin construction of Added Facilities prior to Producer's payment of all moneys due as described in Sections 6.2(a)(2), 7.2, 7.3(a)(2), 10.1, and 10.10 herein.
- 11.3 Where it is necessary to install Added Facilities on Producer's property, Producer hereby grants to SCE (a) the right to make such installation on Producer's property including installation of a line extension along the shortest practical route thereon and (b) the right of ingress to and egress from Producer's property as determined by SCE in its sole discretion for any purpose connected with the operation and maintenance of the Added Facilities. Producer shall provide rights-of-way or easements of sufficient space to provide legal clearance from all structures now or hereafter erected on Producer's property for any facilities of SCE.
- 11.5 Where formal rights-of-way or easements are required in, on, under, or over Producer's property or the property of others for the installation of the Added Facilities, SCE shall not be obligated to install the Added Facilities unless and until any necessary permanent rights-of-way or easements, satisfactory to SCE, are granted without cost to SCE. Upon termination of this IFFOA in accordance with Section 4, SCE shall quitclaim all easements and rights of way in, on, under, and over Producer's property, which are, as determined by SCE in its sole discretion, no longer required by SCE due to the removal of its Added Facilities.
- 11.6 SCE shall not be responsible for any delay in completion of the installation of the Added Facilities including, but not limited to, delays resulting from shortage or labor or materials, strike, labor disturbances, war, riot, weather conditions, governmental rule, regulation, or order, including orders or judgments of any court or commission, delay in obtaining necessary rights-of-way and easements, act of God, or any other cause or condition beyond control of SCE. SCE shall have the right in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond SCE's control.
- 11.7 Added Facilities provided hereunder shall at all times remain the property of SCE.
- 11.8 This IFFOA supplements the appropriate application and contract(s) for electric service presently in effect between the Parties.
- 11.9 Producer may assign this IFFOA only with SCE's written consent. Such consent shall not be unreasonably withheld. Such assignment shall be deemed to include, unless otherwise specified therein, all of Producer's rights to any refunds, which might become due upon discontinuance of the use of any Added Facilities.

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Los Angeles County ISD
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12. GOVERNING LAW

This IFFOA shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California and shall, to the extent provided by law, at all times be subject to applicable tariff rules and modification of such rules as directed by the California Public Utilities Commission in the exercise of its jurisdiction.

13. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this IFFOA to be executed by their duly authorized representatives. This IFFOA is effective as of the last date set forth below.

LOS ANGELES COUNTY ISD

**SOUTHERN CALIFORNIA
EDISON COMPANY**

By: _____

By: _____

Name: Los Angeles County ISD

Name: Gary Barsley

Title: _____

Title: Manager, Customer Solar &
Self-Generation

Date: _____

Date: _____

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ATTACHMENT A TO APPENDIX C
INTERCONNECTION FACILITIES FINANCING AND OWNERSHIP AGREEMENT
SOUTHERN CALIFORNIA EDISON COMPANY
Los Angeles County ISD
NM 500162675

1. Added Facilities Investment for Producer- Financed Facilities
(Provided per Section 3.2.2)

	Interconnection Facilities Component	Original Estimate	Revised Estimate	Recorded Cost	Firm Price (per 10.4)
A.	Provide and install Net Generation Output Meter (NGOM) (Kwh/Kw) , to measure net energy output of Producer's Generator New Method for Telemetry² o Centralized RTU or as required by the utility	\$14,500.00 ³			
B.	Total Added Facilities Investment	\$14,500.00			
C.	Income Tax Component of Contribution (ITCC) ⁴ (22%)				
D.	One-Time Payment representing the present value of the sum of the Monthly Charges for the Added Facilities Investment amount (82.74%) (If Applicable)				
E.	Total Amount to be Advanced by Producer (B.+ C.+ D.)	\$14,500.00			

* Estimates shown are for illustrative purposes only. Estimates for your particular installation may vary dramatically and will be determined during SCE's technical review.

2. Estimated Termination Charge Applicable to Producer-Financed Facilities

² Southern California Edison Company (SCE) acknowledges that the telemetry upgrades required for this project will not be in place as of the execution of this Agreement. Without waiving customer's obligation to meet the telemetry requirements listed above in Item A, SCE agrees to allow the project to be interconnected while the required telemetry upgrades are completed.

³ Cost estimate is based on centralized RTU; the cost may significantly increase if a different method of telemetry is utilized.

⁴ The Producer's obligation to provide Tax Security shall terminate at the earlier of (1) the expiration of the ten year testing period and the applicable statute of limitation, as it may be extended by SCE upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations. Upon termination of the Producer's obligation to provide Tax Security, Producer shall request that any unused amount of the Tax Security be released to the Producer.

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NM 500162675

	Original Estimate	Revised Estimate
Removal Costs	\$ 2,900.00	

Note: While there are no Security Deposit Requirements for the potential cost of removing Producer-Financed Facilities, Producer is responsible for such costs, subject to the reductions that occur during the 16th through 20th years.

3. Description of Producer - Constructed and Owned Facilities (Provided per Section 3.2.4)

Interconnection Facilities Component
a. All generating unit protective relays, controls and switchgear.

Note: Cost information need not be provided for Producer-Constructed and Owned Facilities.

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SOUTHERN CALIFORNIA EDISON COMPANY
Los Angeles County ISD
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1. PARTIES:

The Parties to this Interconnection Facilities Financing and Ownership Agreement (IFFOA) are, Los Angeles County ISD (Producer), and Southern California Edison Company, (SCE). Producer and SCE are sometimes referred to herein individually as "Party," and collectively as "Parties."

2. RECITALS:

- 2.1 Producer has applied to acquire, operate, and control a 1130.1 kW (Gross Nameplate capacity) Generating Facility that will be operated in parallel with SCE's Distribution System. Said Generating Facility is described in Section 1 of the Generating Facility Interconnection Agreement ("GFIA") between the Parties to which this IFFOA is attached. SCE has assigned the Generating Facility identification number "NMID 500273455" to this facility.
- 2.2 The electrical facilities described in Exhibit A, attached hereto, are required to connect Producer's Generating Facility to the SCE Distribution System pursuant to SCE's Tariff Rule No. 21. Such electrical facilities are hereinafter referred to as "Interconnection Facilities" or "Added Facilities" depending on the financing and ownership arrangements selected by the Parties.
- 2.3 Pursuant to SCE's Tariff Rule No. 21 all or a portion of the Interconnection Facilities may be provided by SCE as "Added Facilities" as defined in SCE's Tariff Rule No. 2.H.
- 2.4 The Parties' respective scopes of work, costs and ownership responsibilities for the Interconnection Facilities are identified in Exhibit A, attached hereto.
- 2.5 This Agreement provides for Producer to interconnect and operate either a Single Technology Generating Facility or a Combined Technology Generating Facility in parallel with SCE's Distribution System. The Combined Technology Generating Facility may consist of any combination of Eligible Technologies as set forth in the California Public Utilities' Self-Generation Incentive Program. This Agreement also provides for Producer to operate an eligible portion of said Generating Facility in a Net Energy Metering Configuration pursuant to Section 2827 (b) (2) of the California Public Utilities Code.

3. AGREEMENT:

The Parties agree as follows:

- 3.1 Unless otherwise defined herein, initially capitalized terms shall have the same meanings as defined in the GFIA.
- 3.2 The Parties agree to one or more of the arrangements as indicated in this Section 3.2 for the financing, design, installation, operation, maintenance, and ownership of the Interconnection Facilities described in Exhibit A, attached hereto.

SCE-Financed¹

- NO 3.2.1 SCE, at Producer's expense, shall finance, install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "SCE-Financed Added Facilities" in Exhibit A, attached hereto; and/or

¹ (NOTE: Pursuant to Edison's tariffs, SCE may only finance "removable" facilities. Additionally, SCE-Financed Added Facilities are available to SCE's customers at SCE's sole discretion.

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Producer-Financed.

- ☒ **YES** 3.2.2 SCE, at Producer's expense, shall install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "Producer-Financed Added Facilities" in Exhibit A, attached hereto; and/or

Producer-Constructed and Conveyed

- ☐ **NO** 3.2.3 Producer shall finance, install, and transfer ownership of all or a portion of the Interconnection Facilities described as "Producer Constructed and Conveyed Interconnection Facilities" in Exhibit A attached hereto, to SCE for SCE to own, operate, and maintain at Producer's expense as "Producer-Financed Added Facilities"; and/or

Producer-Constructed and Owned

- ☒ **YES** 3.2.4 Producer shall finance, install, own, operate, and maintain all or a portion of the Interconnection Facilities described as "Producer-Constructed and Owned Interconnection Facilities" in Exhibit A, attached hereto.

4. TERM AND TERMINATION:

- 4.1 This IFFOA shall be binding upon execution by the Parties and shall remain in effect until terminated by (1) either Party on at least thirty (30) days advance written notice or (2) the end of the 20 year term provided under Sections 6.2 and/or 7.3 herein or (3) termination of the GFIA to which this IFFOA is attached. Upon termination, Producer shall pay all costs and charges incurred to the date of termination pursuant to Section 10.10 herein, including but not limited to charges for engineering, surveying, right-of-way and easement acquisition expenses or any other expense incurred by SCE for the Producer, even if the Interconnection Facilities have not been installed.
- 4.2 Producer agrees to utilize all Added Facilities described in Exhibit A, attached hereto, in accordance with good operating practice. If Producer fails to so utilize said Interconnection Facilities, SCE may terminate this IFFOA, remove the Added Facilities, and Producer shall be subject to the Termination Charge pursuant to Section 10.10 herein.

5. PROJECT DEVELOPMENT MILESTONES:

[This section is not applicable to this Agreement and has been intentionally omitted.]

6. INTERCONNECTION FACILITIES PROVIDED AS SCE-FINANCED ADDED FACILITIES:

[This Section is not applicable to this Agreement and has been intentionally omitted.]

7. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-FINANCED ADDED FACILITIES:

If the Parties have agreed to provide all or a portion of the Interconnection Facilities pursuant to the provisions of Section 3.2.2 herein, the following shall apply for that portion of the Interconnection Facilities specified in Exhibit A, attached hereto, as "Producer-Financed Added Facilities."

- 7.1 SCE shall, pursuant to SCE's Tariff Rule No. 21, engineer, design, procure equipment and materials, construct, install, own, operate, and maintain the Producer-Financed Added Facilities.
- 7.2 Producer shall pay to SCE in advance of construction, the estimated Total Installed Cost of said Producer-Financed Added Facilities, as set forth in Exhibit A, attached hereto, as may be revised pursuant to Sections 10.2 and/or 10.3, herein. If applicable, said cost shall include the estimated Income Tax Component of Contributions (ITCC), pursuant to

SCE's Preliminary Statement as filed with the Commission and as may be revised from time to time.

- 7.3 In addition to the payment required under Section 7.2 herein, Producer shall pay a charge based on (1) the Added Facilities Investment in Producer-Financed Added Facilities as set forth in Exhibit A, attached hereto, as may be revised pursuant to Sections 10.2 and/or 10.3 herein, and (2) the monthly rate established for the replacement coverage option for "Customer-Financed Added Facilities" selected in this Section 7.3 as set forth in SCE's Rule No. 2.H as filed with the Commission and as may be revised from time to time. Whenever Added Facilities are replaced, the Added Facilities Investment amount used as the basis for determining the charge Producer pays SCE shall be subject to the conditions set forth in Section 10.6 or 10.7 herein. Producer hereby selects a replacement coverage option for Producer-Financed Added Facilities as follows:

N/A (a) Replacement Coverage into Perpetuity

Under this option, Producer shall pay to SCE, at SCE's sole option, either (SCE to select one):

- _____ (1) A Monthly Charge determined by SCE based upon an initial monthly rate of 0.51 % times the Added Facilities Investment amount; or,
- _____ (2) A One-Time Payment determined by SCE representing the present value of the sum of the Monthly Charges for the Added Facilities Investment amount.

N/A (b) Replacement Coverage with 20-Year Term

Under this Option, for a term of 20 years beginning with the date said Added Facilities are first made available for Producer's use, Producer shall pay to SCE a Monthly Charge determined by SCE based upon an initial monthly rate of 0.40 % times the Added Facilities Investment amount. At the end of the 20-year term, this IFFOA shall terminate. If the Parties elect to continue to utilize the Added Facilities past the term of this IFFOA, Producer and SCE may execute a new Added Facilities Agreement. If such an agreement is formed, a revised Added Facilities investment amount shall be determined by SCE on a RCNLD basis.

N/A (c) Without Replacement Coverage

Under this option, Producer shall pay SCE a Monthly Charge determined by SCE based upon an initial monthly rate of 0.38 % times the Added Facilities Investment amount.

8. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-CONSTRUCTED AND CONVEYED INTERCONNECTION FACILITIES:

[This Section is not applicable to this Agreement and has been intentionally omitted.]

9. INTERCONNECTION FACILITIES PROVIDED AS PRODUCER-CONSTRUCTED AND OWNED INTERCONNECTION FACILITIES:

If the Parties have agreed to provide all or a portion of the Interconnection Facilities pursuant to the provisions of Section 3.2.4 herein, Producer is subject to the following for that portion of the Interconnection Facilities specified in Exhibit A, attached hereto, as "Producer-Constructed and Owned Interconnection Facilities:"

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- 9.1 At Producer's expense, Producer shall finance, engineer, design, acquire equipment and materials, construct, obtain rights-of-way as necessary, install, own, lease or rent, operate, and maintain the Producer-Constructed and Owned Interconnection Facilities. Said Interconnection Facilities shall be engineered, designed and constructed to be compatible with SCE's Distribution System and in accordance with SCE's Tariff Rule No. 21, as applicable.
- 9.2 SCE shall, at Producer's expense, review Producer's design and require modifications that SCE reasonably determines necessary to assure compatibility with SCE's electrical system and assure SCE system integrity.
- 9.3 Producer shall notify SCE at least thirty (30) days prior to the parallel operation of Producer's Generating Facility and SCE shall have the right to inspect the Producer-Constructed and Owned Interconnection Facilities and shall notify Producer of any deficiencies within five days after inspection. Producer must correct any deficiencies prior to parallel operation of the Generating Facility.

10. INTERCONNECTION FACILITIES BILLING:

[For Net Energy Metering Projects go directly to Sub-section 10.14]

- 10.1 Producer shall pay to SCE in advance of any construction by SCE, any one-time costs (including, when applicable, the Income Tax Component of Contribution (ITCC), pursuant to SCE's Preliminary Statement as filed with the Commission and as may be changed from time to time) to rearrange existing facilities and/or to provide facilities normally installed by the Producer as set forth in Exhibit A, attached hereto, as "One-Time Costs for Equipment or Services Provided by SCE for Producer."
- 10.2 Unless otherwise agreed in writing, the costs and charges paid by Producer pursuant to Sections 6.2, 7.2, 7.3, 8.2, 8.4, 8.7, 9.2, 10.1, and 10.10 herein shall initially be based upon estimated costs. When the recorded book costs have been determined by SCE, the costs and charges paid by Producer under this IFFOA shall be revised to be based upon such recorded costs and adjusted retroactively to the date when service was first available by means of such Added Facilities. By executing this IFFOA, Producer has been informed and understands SCE's determination of recorded book cost is often delayed and that unless otherwise agreed, retroactive adjustments resulting from such determination may occur at anytime during the term of this IFFOA. All amounts billed under this IFFOA, unless other terms are mutually agreed upon, shall be payable to SCE within thirty (30) days from the date of presentation of a bill. Any credits resulting from such adjustments will, unless other terms are mutually agreed upon, be refunded to Producer.
- 10.3 SCE shall have the right to revise the initial estimated costs and bill Producer using such revised estimated costs during the period preceding determination of the recorded book costs. SCE shall indicate such revisions on Exhibit A, attached hereto, or a superseding Exhibit A and provide a copy to Producer. SCE shall commence billing the costs and charges paid by Producer pursuant to this IFFOA using such revised estimate not earlier than 30 days from the date the revised estimate is provided to Producer.
- 10.4 Pursuant to SCE's Tariff Rule No. 21, as an alternative to the estimated basis described in Sections 10.2, and 10.3 herein, SCE shall provide, at Producer's written request, a binding estimate of the Added Facilities Investment values which shall be used to determine Producer's payments under this IFFOA, except as such payments may be adjusted pursuant to Section 10.6 herein. Said binding estimate shall be valid for a period of one year from the date such estimate is provided to Producer.
- 10.5 The Monthly Charge to be paid by Producer pursuant to Sections 6.2 and 7.3 herein, shall automatically increase or decrease without formal amendment to this IFFOA if the

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Commission subsequently authorizes a higher or lower percentage rate in the calculation of the costs of ownership for Added Facilities as stated in Rule No. 2.H, effective with the date of such authorization. Further, the revised costs of ownership shall also be used to determine the unamortized balance of the One-Time Payment described in Sections 6.2(a) and 7.3(a) and owed to SCE due to termination of service, termination of this IFFOA, or otherwise.

- 10.6 If it becomes necessary for SCE to alter or rearrange the Added Facilities including, but not limited to, the conversion of overhead facilities to underground, Producer shall be notified of such necessity and shall be given the option to either terminate this IFFOA in accordance with Sections 4 and 10.9 herein, or to pay to SCE additional amounts consisting of:
- (a) Revised costs and charges based on the total net additional installed cost of all new and remaining Added Facilities. Such revised costs and charges shall be determined, as applicable, in the same manner as described in Sections 6.2 and 7.3 herein; plus
 - (b) An additional payment of ITCC, and/or one-time cost, if any, for any new Added Facilities which shall be determined in the same manner as described in Sections 7.2 and 10.1 herein; plus
 - (c) The cost to remove any portion of the Added Facilities that are no longer necessary because of alteration or rearrangement, such charge is to be determined by SCE in the same manner as described in Section 10.9 herein.
- 10.7 Whenever Added Facilities are replaced due to damage (caused by other than the Producer's intentional or negligent conduct) or equipment failure and Producer has selected replacement coverage pursuant to Sections 6.2(a) or (b) and/or Sections 7.3(a) or (b) herein, such replacement will be at SCE's expense with no change in the Added Facilities Investment amount.
- 10.8 Whenever Added Facilities are replaced (1) due to damage or equipment failure and Producer has selected the "Without Replacement Coverage" option pursuant to Sections 6.2(c) and/or 7.3(c) herein, or (2) due to Producer's increased load or generation levels, as determined by SCE, or (3) Producer's intentional or negligent conduct, such replacement will be made by SCE at the Producer's expense, including any applicable ITCC. Any additional amounts due to SCE as a result of such replacement shall be payable by the Producer to SCE within thirty (30) days from the date of presentation of a bill. If such replacement results in a change in the Added Facilities Investment, the Monthly Charges will be adjusted based on the revised added investment amount effective with the date the replaced Added Facilities are first available for Producer's use. Except that, where the replacement of Added Facilities is solely required for SCE's operating convenience or necessity or because of damage caused by the sole negligence or willful act of SCE, no increase shall be made in the Added Facilities Investment amount or the Monthly Charge.
- 10.9 Except as otherwise provided in this IFFOA, SCE shall have the right to charge Producer under the terms and conditions of this IFFOA commencing with the date SCE, in its sole opinion, determines the Added Facilities are available for Producer's use.
- 10.10 Upon discontinuance of the use of any Added Facilities due to termination of service, termination of this IFFOA, or otherwise:
- (a) Producer shall pay to SCE on demand (in addition to all other moneys to which SCE may be legally entitled by virtue of such termination) a Termination Charge defined as the costs estimated, subject to Sections 10.2 and 10.3, herein, by SCE to install and/or remove said facilities, less the estimated salvage value of

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the Added Facilities to be removed. Commencing in the sixteenth (16) year after the date service is first rendered by means of said Added Facilities, the Termination Charge shall be reduced by 20 percent each year until the total Termination Charge is zero.

- (b) SCE shall be entitled to remove and shall have a reasonable time in which to remove any portion of the Added Facilities located on the Producer's property.
- (c) SCE may, at its option, alter, rearrange, convey, or retain in place any portion of the Added Facilities located on property other than Producer's property. Where all or any portion of the Added Facilities located on property other than Producer's property are retained in place and used by SCE to provide permanent service to other customers, the facility Termination Charge described in Section 10.10(a), herein, shall be reduced by the recorded installed cost of the retained facilities.

- 10.11 SCE may, at its sole discretion at any time during the term of this IFFOA, require Producer to provide and maintain a performance bond, a letter of credit, an escrow account, or other security, to SCE's satisfaction, securing to SCE the payment of the Facility Termination Charge described in Section 10.10, herein. Producer's Failure to provide such security to SCE's satisfaction shall result in termination of this IFFOA.
- 10.12 Producer shall not be required to pay the Termination Charge specified in Section 10.10, herein if termination of the use of the Interconnection Facilities is caused solely by SCE. Termination pursuant to Section 4.2 herein or Section 4.1 of the GFIA shall be deemed not to have been caused solely by SCE.
- 10.13 Should any amount billed pursuant to this IFFOA not be paid by Producer, SCE shall at any time be entitled to collect such amounts through an offset against any amount SCE may owe to Producer.
- 10.14 For Net Energy Metering Projects, the Generating Facility shall meet all applicable safety and performance standards established by the National Electrical Code, the Institute of Electrical and Electronics Engineers ("IEEE"), and accredited testing laboratories such as Underwriters Laboratories ("UL"), and, where applicable, rules of the California Public Utilities Commission ("Commission") regarding safety and reliability. This requirement shall include, but not be limited to, the provisions of IEEE Standard 929 and UL Standard 1741 and SCE's Rule 21 - Generating Facility Interconnections.

The metering requirements and billing procedure shall be set forth in the rate schedule(s) applicable to the electric service account assigned to the location where the Generating Facility is connected.

Notwithstanding the above requirements in this Section 10.14, if the Net Energy Metering Project uses equipment other than the approved UL Standard 1741; and in SCE's sole discretion, added facilities are needed to interconnect the technology to the SCE's system; the other provision of this Section shall apply.

11. GENERAL PROVISIONS:

- 11.1 Producer's option to construct and own all of the Interconnection Facilities as "Producer-Constructed and Owned Interconnection Facilities" is limited to Interconnection Facilities that will interconnect with the SCE Distribution System at voltages of 35 kV and below. For interconnections at voltages above 35 kV, SCE shall, at its option, own and operate the last interfacing protection devices separating Producer's facilities from SCE's Distribution System. However, in such case, Producer shall have the option to provide and transfer ownership of such interfacing facilities to SCE, pursuant to Section 8 herein.

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- 11.2 SCE shall not be obligated to begin construction of Added Facilities prior to Producer's payment of all moneys due as described in Sections 6.2(a)(2), 7.2, 7.3(a)(2), 10.1, and 10.10 herein.
- 11.3 Where it is necessary to install Added Facilities on Producer's property, Producer hereby grants to SCE (a) the right to make such installation on Producer's property including installation of a line extension along the shortest practical route thereon and (b) the right of ingress to and egress from Producer's property as determined by SCE in its sole discretion for any purpose connected with the operation and maintenance of the Added Facilities. Producer shall provide rights-of-way or easements of sufficient space to provide legal clearance from all structures now or hereafter erected on Producer's property for any facilities of SCE.
- 11.5 Where formal rights-of-way or easements are required in, on, under, or over Producer's property or the property of others for the installation of the Added Facilities, SCE shall not be obligated to install the Added Facilities unless and until any necessary permanent rights-of-way or easements, satisfactory to SCE, are granted without cost to SCE. Upon termination of this IFFOA in accordance with Section 4, SCE shall quitclaim all easements and rights of way in, on, under, and over Producer's property, which are, as determined by SCE in its sole discretion, no longer required by SCE due to the removal of its Added Facilities.
- 11.6 SCE shall not be responsible for any delay in completion of the installation of the Added Facilities including, but not limited to, delays resulting from shortage or labor or materials, strike, labor disturbances, war, riot, weather conditions, governmental rule, regulation, or order, including orders or judgments of any court or commission, delay in obtaining necessary rights-of-way and easements, act of God, or any other cause or condition beyond control of SCE. SCE shall have the right in the event it is unable to obtain materials or labor for all of its construction requirements, to allocate materials and labor to construction projects which it deems, in its sole discretion, most important to serve the needs of its customers, and any delay in construction hereunder resulting from such allocation shall be deemed to be a cause beyond SCE's control.
- 11.7 Added Facilities provided hereunder shall at all times remain the property of SCE.
- 11.8 This IFFOA supplements the appropriate application and contract(s) for electric service presently in effect between the Parties.
- 11.9 Producer may assign this IFFOA only with SCE's written consent. Such consent shall not be unreasonably withheld. Such assignment shall be deemed to include, unless otherwise specified therein, all of Producer's rights to any refunds, which might become due upon discontinuance of the use of any Added Facilities.

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12. GOVERNING LAW

This IFFOA shall be interpreted, governed, and construed under the laws of the State of California as if executed and to be performed wholly within the State of California and shall, to the extent provided by law, at all times be subject to applicable tariff rules and modification of such rules as directed by the California Public Utilities Commission in the exercise of its jurisdiction.

13. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this IFFOA to be executed by their duly authorized representatives. This IFFOA is effective as of the last date set forth below.

LOS ANGELES COUNTY ISD

**SOUTHERN CALIFORNIA
EDISON COMPANY**

By: _____

By: _____

Name: Los Angeles County ISD

Name: Gary Barsley

Title: _____

Title: Manager, Customer Solar &
Self-Generation

Date: _____

Date: _____

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1. **Added Facilities Investment for Producer- Financed Facilities**
(Provided per Section 3.2.2)

	Interconnection Facilities Component	Original Estimate	Revised Estimate	Recorded Cost	Firm Price (per 10.4)
A.	Provide and install Net Generation Output Meter (NGOM) (Kwh/Kw) , to measure net energy output of Producer's Generator New Method for Telemetry² o Centralized RTU or as required by the utility	\$14,500.00 ³			
B.	Total Added Facilities Investment	\$14,500.00			
C.	Income Tax Component of Contribution (ITCC) ⁴ (22%)				
D.	One-Time Payment representing the present value of the sum of the Monthly Charges for the Added Facilities Investment amount (82.74%) (If Applicable)				
E.	Total Amount to be Advanced by Producer (B.+ C.+ D.)	\$14,500.00			

* Estimates shown are for illustrative purposes only. Estimates for your particular installation may vary dramatically and will be determined during SCE's technical review.

2. **Estimated Termination Charge Applicable to Producer-Financed Facilities**

² Southern California Edison Company (SCE) acknowledges that the telemetry upgrades required for this project will not be in place as of the execution of this Agreement. Without waiving customer's obligation to meet the telemetry requirements listed above in Item A, SCE agrees to allow the project to be interconnected while the required telemetry upgrades are completed.

³ Cost estimate is based on centralized RTU; the cost may significantly increase if a different method of telemetry is utilized.

⁴ The Producer's obligation to provide Tax Security shall terminate at the earlier of (1) the expiration of the ten year testing period and the applicable statute of limitation, as it may be extended by SCE upon request of the IRS, to keep these years open for audit or adjustment, or (2) the occurrence of a subsequent taxable event and the payment of any related indemnification obligations. Upon termination of the Producer's obligation to provide Tax Security, Producer shall request that any unused amount of the Tax Security be released to the Producer.

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	Original Estimate	Revised Estimate
Removal Costs	\$ 2,900.00	

Note: While there are no Security Deposit Requirements for the potential cost of removing Producer-Financed Facilities, Producer is responsible for such costs, subject to the reductions that occur during the 16th through 20th years.

3. Description of Producer - Constructed and Owned Facilities (Provided per Section 3.2.4)

Interconnection Facilities Component
a. All generating unit protective relays, controls and switchgear.

Note: Cost information need not be provided for Producer-Constructed and Owned Facilities.